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REPORTS

OF THE

State Land Office

OF THE

State of Montana

For the years 1901 and 1902

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Tenth Biennial Report

of the

STATE BOARD OF LAND
COMMISSIONERS

of the

State of Montana

to the

EIGHTH LEGISLATIVE ASSEMBLY

December 1, 1900 to November 30, 1902



Tenth Biennial Report.

Office of the State Board of Land Commissioners,

Helena, Montana, December 1, 1902.

To the Eighth Legislative Assembly:

Pursuant to the provisions of Section 3505 of the Political Code, the State Board of Land Commissioners herewith submits its Tenth Biennial Report.

The fiscal years of 1901 and 1902 have proven very satisfactory to the State Land Department. The records of the State Land Office show a remarkable increase in the sale and lease of State lands. The State's holdings now amount to 3,020,977.73 acres. Of this amount 304,814.24 acres are timber lands, showing an estimate of 892,297,000 feet of saw timber, and the remainder, of 2,716,163.49 acres, are classified as agricultural and grazing in character. The amount of land under lease is 1,784,000 acres, being 65 per cent of the State lands, exclusive of the timber lands, which are not subject to lease.

The amount of lands sold by the State up to the present time is 40,839.76 acres, made up from the several grants, as shown in the following tables.

The Federal Government having withdrawn from filing other than homestead, large tracts of land in the northern portion of the State with the view of constructing irrigating canals and reservoirs, the Board not wishing to hamper or in any way retard this work passed the following resolutions on June 4, 1902:

Whereas, The State of Montana, on August 23, 1898, made application to the United States for the survey of certain lands in Teton county with the intention of making selections of the same or a portion thereof, after survey, for the benefit of the several educational institutions of the State, as provided in an Act of Congress approved August 18, 1894; and,

Whereas, A recent order of the Secretary of the Interior has withdrawn from settlement large tracts of land in Choteau and Teton counties, including the lands applied for as aforesaid by the State, for the purpose of reserving said lands for reclamation by some Federal system of irrigation; and,

Whereas, It is the duty of the State Board of Land Commissioners, under the laws of the State and an Act of Congress approved February 22, 1889, to make selections of desirable lands for the benefit of the several State institutions, and said Board of Land Commissioners, nevertheless, desiring to encourage a general system of irrigation by the Federal Government in the arid regions, and especially in the northern portion of Montana, hereby declares that the selections this day made shall in no way interfere with the plans or system of irrigation now contemplated, or which may hereafter be contemplated, by the United States in the said northern portion of Montana; and,

It Is Further Declared by the said Board of Land Commissioners that whenever the United States, upon the extension of its surveys for said irrigation purposes, shall make it satisfactory appear to said Board that said lands this day selected, or any part thereof, are necessary or proper for the complete and successful carrying out of such irrigation enterprise, that it, the said Board of Land Commissioners, will relinquish to the United States the same, or so much thereof as may be necessary, and select other lands in lieu thereof; and,

It Is Further Declared by said Board of Land Commissioners that the State of Montana in all leases hereafter executed of the lands hereinbefore already referred to, reserve the right to cancel said leases without notice whenever in the opinion of said Board said lands, or any portion thereof, are necessary to carry out any plan or system of irrigation upon the part of the United States, therefore,

Be It Resolved, That none of the lands within the limits of the territory covered by the aforesaid proclamation of withdrawal be sold by the State pending the consideration of this question by the Congress of the United States or the Interior Department.

The foregoing statement is made in order to disclaim any purpose of impeding or obstructing governmental irrigation, our only purpose being to protect valuable preferential rights belonging to the State in the event it shall be ascertained upon actual survey and location of ditches and reservoirs that the lands this day selected are not necessary to insure the success of any plan or scheme put forward by the United States.

And with this only in view, it is agreed that the selection

aforesaid is made by the State, and if allowed by the United States, may be allowed upon this express condition .

Since this date the State reserves the right in all leases issued to either sell or "enter upon any of the lands leased to construct ditches, dams, flumes or reservoirs, under such regulations as the Board may prescribe in case the State or the Federal Government should require a right of way thereon under any system of State or National irrigation which may be inaugurated."

SELECTIONS.

In the matter of making new State selections, this part of the work is practically completed. The several grants are now complete with the exception of the Capitol Building Grant, of which there remains approximately 25,000 acres to select. The State having made application for survey of some valuable timber land in the year 1899, thereby establishing a preference right in making selections, it is the desire of the Board to fill this grant with timber land selections. During the year 1901, 60,124.84 acres, and in 1902, 61,439.40 acres, were selected, making a total of 121,564.24 acres distributed among the grants, as shown in the State Land Agent's report.

The status of the different land grants is shown in the following tables, which give the number of acres of each grant in each county of the State, the appraised value, the classification, as grazing, agricultural or timber, the amount of saw timber thereon, as estimated by the Land Agent, and the amount sold up to date.

For information regarding the revenues received by the several grants for the fiscal years 1901 and 1902, see the Register's report covering said periods.

Respectfully submitted,

J. K. TOOLE, President,
W. W. WELCH, Secretary,
GEO. M. HAYS,
JAMES DONOVAN.

JOSEPH OKER, Clerk.

STATUS OF SCHOOL LANDS.

COUNTY	Acres Surveyed	Acres Appraised	Appraised Value	Grazing	Agri- cultural	Timber	Feet Timber
Beaverhead	75,083.28	75,083.28	\$115,450.32	71,136.18	3,917.10	.....	.....
Bronwater	19,930.41	19,930.41	43,146.76	17,315.87	2,614.54	.....	.....
Carbon	37,180.12	37,180.12	60,515.08	34,757.94	2,422.18	.....	.....
Cascade	138,465.36	138,465.36	258,361.08	134,508.21	3,657.12	.....	.....
Choteau	595,344.70	460,173.30	711,150.56	501,693.33	3,650.37	.....	.....
Custer	126,050.69	124,930.69	161,403.24	124,360.69	1,620.00	.....	.....
Dawson	97,148.71	97,148.71	119,131.17	96,088.71	1,069.00	.....	.....
Deer Lodge	10,610.00	10,000.00	19,140.60	9,760.00	880.00	640.10	.....
Fergus	295,561.74	294,381.74	418,422.01	295,081.76	480.00	.....	.....
Flathead	56,350.81	45,719.73	59,024.74	1,210.00	2,714.60	52,436.24	61,100.00
Gallatin	34,133.39	34,133.39	90,826.78	26,578.39	6,255.00	1,600.00	.....
Granite	13,188.53	10,000.00	18,330.00	11,908.53	1,240.00	.....	.....
Jefferson	24,000.00	23,060.00	32,110.00	23,060.00	640.00	.....	.....
Lewis and Clarke	56,864.93	55,584.93	98,089.14	55,944.94	1,640.00	.....	.....
Madison	96,577.13	83,876.74	111,241.10	85,117.13	2,690.00	.....	.....
Meagher	92,832.88	87,992.88	106,240.21	89,892.88	2,439.00	49,613.62	.....
Missoula	54,621.43	35,660.13	48,834.71	2,938.81	3,584.72	.....	.....
Park	37,417.87	37,417.87	64,060.95	33,833.15	2,140.00	.....	.....
Powell	60,708.90	57,508.90	103,192.78	54,088.90	1,755.00	4,480.00	11,100.00
Ravalli	29,312.96	19,672.96	37,319.89	22,477.96	1,518.40	6,080.00	9,485.00
Rosebud	105,427.11	84,566.39	96,141.04	103,878.71	400.00	.....	.....
Silver Bow	7,063.63	6,343.03	11,746.03	7,263.03	2,690.33	.....	.....
Sweet Grass	67,063.84	66,653.84	105,427.11	61,363.51	2,250.00	.....	.....
Teton	292,592.71	292,592.71	336,707.32	290,342.71	1,220.00	.....	.....
Valley	79,422.63	67,262.63	91,984.80	78,202.63	1,804.44	.....	.....
Yellowstone	92,836.23	92,836.23	119,416.25	91,032.00	.....	.....	.....
Totals	2,398,189.32	2,265,275.77	3,498,045.15	2,236,896.90	56,732.81	114,819.86	156,640.00

School Grant	1,922,766.84 acres
Indemnity Selections	465,722.48 acres
Amount Sold	25,812.79 acres

STATUS OF THE PUBLIC BUILDING GRANT.

Total Grant	182,000.00 acres
Amount Selected	154,146.23 acres
Amount approved	144,812.87 acres
Amount sold..	2,705.08 acres

COUNTY	Acres	Value	Grazing	Agricult'l	Timber	Ft. Timber
Beaverhead	6,241.09	\$8,681.59	6,241.09	.....	.....	.....
Broadwater	15,053.10	24,681.76	14,853.10	200.00	.....	.....
Cascade	560.00	920.00	560.00	.....	.....	.....
Choteau	5,991.05	11,982.18	5,991.09	.....	.....	.....
Dawson	640.00	1,920.00	600.00	40.00	.....	.....
Flathead	32,912.66	43,191.25	.....	160.00	32,750.06	129,765,000
Gallatin	14,083.02	26,103.01	11,839.54	120.00	2,243.48	.....
Lewis and Clarke	10,164.46	16,127.76	10,124.46	40.00	.....	.....
Madison	21,028.01	27,129.48	21,028.01	.....	.....	.....
Meagher	640.00	1,280.00	640.00	.....	.....	.....
Missoula	23,945.44	38,831.02	.....	.....	23,945.44	150,580,000
Powell	9,899.60	11,384.70	2,400.00	.....	7,499.60	37,735,000
Ravalli	6,618.56	7,508.56	2,658.56	.....	3,960.00	26,170,000
Teton	3,664.72	12,327.20	3,664.72	.....	.....	.....
Totals	151,441.15	232,068.51	78,799.57	560.00	70,398.58	335,250,000

STATUS OF SCHOOL OF MINES GRANT.

Total Grant	100,000.00 acres
Amount Selected	99,581.10 acres
Amount approved	99,211.38 acres
Amount sold..	45581 acres

COUNTY	Acres	Value	Grazing	Agricult'l	Timber	Ft. Timber
Beaverhead	11,673.18	11,833.18	11,673.18	.....	.....	.....
Cascade	10,890.19	25,145.03	10,890.19	.....	.....	.....
Choteau	23,487.73	45,938.66	23,487.73	.....	.....	.....
Flathead	24,825.00	31,076.11	.....	960.00	23,865.00	65,960,000
Gallatin	9,184.03	17,933.33	7,906.77	.....	1,277.26	.....
Lewis and Clarke	4,923.53	7,286.00	4,923.53	.....	.....	.....
Madison	5,106.80	5,820.93	5,106.80	.....	.....	.....
Meagher	80.00	160.00	80.00	.....	.....	.....
Powell	640.00	1,280.00	640.00	.....	.....	.....
Ravalli	3,280.00	3,380.00	.....	.....	3,280.00	21,555,000
Sweet Grass ..	2,271.73	4,503.46	2,271.73	.....	.....	.....
Teton	2,844.21	3,645.26	2,844.21	.....	.....	.....
Totals ..	99,125.29	158,005.99	64,373.34	960.00	28,422.26	88,515,000

TENTH BIENNIAL REPORT

STATUS OF NORMAL SCHOOL GRANT.

Total Grant	100,000.00 acres
Amount Selected	99,442.93 acres
Amount approved	97,327.24 acres
Amount sold	940.39 acres

COUNTY	Acres	Value	Grazing	Agricult'l	Timber	Ft. Timber
Beaverhead	16,358.48	26,450.96	16,358.47	.....	.....	.....
Cascade	3,161.40	7,443.53	3,161.40	.....	.....	.....
Choteau	15,408.86	30,820.10	15,409.86	.....	.....	.....
Flathead	21,295.10	26,976.37	.....	.....	21,295.10	54,750.00
Gallatin	5,341.89	17,371.94	3,337.05	1,360.00	644.84	.....
Lewis and Clarke	2,292.14	4,624.28	2,292.14	.....	.....	.....
Madison	19,958.83	23,711.74	19,958.83	.....	.....	.....
Meagher	1,120.00	2,240.00	1,120.00	.....	.....	.....
Missoula	5,329.11	5,404.11	.....	.....	5,329.11	6,850.00
Ravalli	1,956.96	3,165.21	1,956.96	.....	.....	.....
Teton	6,278.77	12,557.74	6,278.77	.....	.....	.....
Totals	98,502.54	152,765.78	69,774.49	1,360.00	27,269.05	61,600.00

STATUS OF THE AGRICULTURAL COLLEGE INCOME GRANT.

Total Grant	90,000.00 acres
Amount Selected	89,084.59 acres
Amount approved	77,899.02 acres
Amount sold	313.28 acres

COUNTY	Acres	Value	Grazing	Agricult'l	Timber	Ft. Timber
Beaverhead	9,403.00	\$11,753.70	9,403.00	.....	.....	.....
Carbon	3,900.93	7,801.86	3,900.93	.....	.....	.....
Cascade	1,760.00	3,520.00	1,760.00	.....	.....	.....
Choteau	17,940.18	35,588.24	17,940.18	.....	.....	.....
Flathead	10,262.85	11,912.95	.....	.....	10,262.95	29,050.00
Gallatin	160.00	320.00	160.00	.....	.....	.....
Lewis and Clarke	9,982.92	19,363.88	9,982.92	.....	.....	.....
Madison	4,331.76	4,901.92	4,331.76	.....	.....	.....
Meagher	14,855.62	29,710.84	14,855.62	.....	.....	.....
Missoula	2,529.63	2,529.63	.....	.....	2,529.63	15,620.00
Powell	317.69	635.38	317.69	.....	.....	.....
Ravalli	5,760.00	6,920.00	5,760.00	.....	.....	.....
Sweet Grass	1,280.00	2,560.00	1,280.00	.....	.....	.....
Valley	1,819.80	3,639.60	1,819.00	.....	.....	.....
Teton	4,466.83	8,933.66	4,466.83	.....	.....	.....
Totals	88,771.31	150,121.66	75,978.73	.....	12,792.58	44,635.00

STATUS OF THE AGRICULTURAL COLLEGE BOND GRANT.

Total Grant	50,000.00 acres
Amount Selected	49,901.57 acres
Amount approved	49,786.58 acres
Amount sold..	443.20 acres

COUNTY	Acres	Value	Grazing	Agricult'l	Timber	Ft. Timber
Choteau	440.32	\$880.64	440.32	.....	.....	.....
Flathead	17,804.01	19,856.98	.....	321.64	17,482.40	52,840.00
Gallatin	2,134.81	4,346.48	2,134.81	.....	.....	.....
Jefferson	3,675.84	4,575.84	3,675.84	.....	.....	.....
Lewis and Clarke	1,320.00	1,600.00	1,320.00	.....	.....	.....
Madison	10,717.86	11,957.86	10,397.86	320.00	.....	.....
Missoula	12,765.50	14,320.01	.....	.....	12,765.50	42,840,000
Powell	1,600.00	1,600.00	480.00	.....	1,120.00	4,870,000
Totals	49,458.37	59,137.81	18,448.83	641.64	31,367.90	100,550,000

STATUS OF THE REFORM SCHOOL GRANT.

Total Grant	50,000.00 acres
Amount Selected	48,472.15 acres
Amount approved	47,992.14 acres
Amount sold..	1,659.40 acres

COUNTY	Acres	Value	Grazing	Agricult'l	Timber	Ft. Timber
Beaverhead	5,960.00	\$5,960.00	5,960.00	.....	.....	.....
Carbon	3,850.01	7,700.02	3,850.01	.....	.....	.....
Cascade	2,531.54	6,175.08	2,531.54	.....	.....	.....
Choteau	2,019.77	3,939.54	2,019.77	.....	.....	.....
Fergus	1,275.61	1,594.51	1,275.61	.....	.....	.....
Flathead	3,550.87	3,630.87	.....	.....	3,550.87	9,600,000
Gallatin	642.32	642.32	.....	.....	642.32	.....
Jefferson	1,079.55	1,079.55	1,079.55	.....	.....	.....
Lewis and Clarke	1,160.00	2,320.00	1,160.00	.....	.....	.....
Madison	6,463.95	7,513.95	6,463.95	.....	.....	.....
Meagher	10,078.61	23,577.02	10,078.61	.....	.....	.....
Powell	8,200.52	10,647.92	5,720.52	.....	2,480.00	11,620,000
Totals	46,812.75	73,880.78	40,139.56	.....	6,673.19	21,280,000

STATUS OF THE DEAF AND DUMB ASYLUM GRANT.

Total Grant	50,000.00 acres
Amount Selected	50,597.75 acres
Amount approved	49,988.23 acres
Amount sold..	960.00 acres

COUNTY	Acres	Value	Grazing	Agricult'l	Timber	Ft. Timber
Beaverhead	6,940.00	\$8,070.00	6,940.00	.....	.....	.....
Flathead	13,058.56	15,561.47	.....	.....	13,058.56	36,170,000
Gallatin	2,577.41	3,061.55	1,937.44	.....	640.00	.....
Jefferson	2,873.18	3,830.00	2,873.18	.....	.....	.....
Lewis and Clarke	3,160.00	4,330.00	3,160.00	.....	.....	.....
Madison	3,553.36	3,850.04	3,553.36	.....	.....	.....
Meagher	13,324.09	26,648.18	13,324.00	.....	.....	.....
Missoula	4,151.01	3,991.01	.....	.....	4,151.01	10,790,000
Totals	49,637.64	\$69,342.25	31,788.07	.....	17,849.57	46,960,000

STATE UNIVERSITY GRANT.

Total Grant	46,080.48 acres
Amount Selected	46,080.48 acres
Amount approved	46,080.48 acres
Amount sold	7,834.45 acres

COUNTY	Acres	Value	Grazing	Agricult'l	Timber	Ft. Timber
Broadwater	640.00	\$1,600.00	.....	640.00	.....	.....
Cascade	1,445.33	7,089.00	400.00	1,045.95	.....	.....
Custer	640.00	800.00	640.00	.....	.....	.....
Fergus	13,408.08	23,525.76	12,768.08	640.00	.....	.....
Flathead	2,404.40	10,285.58	320.00	936.03	1,148.37	2,690,000
Gallatin	2,891.60	10,081.43	2,080.00	811.60	.....	.....
Granite	635.84	1,640.00	395.84	240.00	.....	.....
Jefferson	1,281.92	2,560.00	1,281.92	.....	.....	.....
Lewis and Clarke	1,920.00	3,940.00	1,920.00	.....	.....	.....
Madison	800.00	1,040.00	800.00	.....	.....	.....
Meagher	4,151.32	5,400.00	3,991.32	160.00	.....	.....
Missoula	1,280.00	2,880.00	.....	.....	1,280.00	3,750,000
Park	957.45	2,400.00	477.45	480.00	.....	.....
Powell	312.87	1,600.00	152.87	160.00	.....	.....
Rosebud	3,813.74	5,219.28	3,209.05	604.69	.....	.....
Yellowstone	1,665.60	2,097.00	1,665.60	.....	.....	.....
Totals	38,228.15	\$82,162.88	29,302.13	5,718.27	2,428.37	6,440,000

STATE LAND SELECTED IN EACH COUNTY.

COUNTY	Granted Land	School Indemnity	Total
Beaverhead	56,575.75	18,379.39	74,955.14
Broadwater	15,693.10	1,838.90	17,532.00
Carbon	7,750.94	.....	7,750.94
Cascade	20,348.46	57,407.60	77,756.06
Choteau	65,288.95	140,741.67	206,030.62
Custer	640.00	.....	640.00
Dawson	640.00	.....	640.00
Deer Lodge .....	.....	2,720.00	2,720.00
Fergus	14,683.69	88,803.27	103,486.96
Flathead	126,112.98	.....	126,112.98
Gallatin	37,015.11	1,280.00	38,295.11
Granite	635.84	.....	635.84
Jefferson	8,910.49	.....	8,910.45
Lewis and Clarke	34,923.05	12,904.08	47,828.13
Madison	71,960.57	14,748.11	86,708.68
Meagher	41,249.64	10,483.88	54,733.52
Missoula	49,910.69	.....	49,910.69
Park	957.45	1,270.00	2,227.45
Powell	20,970.68	25,636.25	46,606.96
Ravalli	17,615.52	3,073.25	20,688.77
Rosebud	3,813.74	.....	3,813.74
Silver Bow .....	.....	1,643.03	1,643.03
Sweet Grass	3,551.73	6,298.46	9,850.19
Teton	17,254.53	69,064.02	86,318.55
Valley	1,319.90	3,030.34	4,350.24
Yellowstone	1,665.60	6,400.23	8,065.83
Totals	622,488.41	465,722.48	1,088,210.89

REPORT OF THE REGISTER
OF THE
STATE LAND OFFICE
OF
THE STATE OF MONTANA

FOR THE YEARS 1901 AND 1902

Office of the Register of the State Land Office,
Helena, Montana, December 1, 1902.

To His Excellency, J. K. Toole,

Governor of the State of Montana:

Sir: In compliance with Section 3592 of the Political Code, I have the honor to submit herewith the report of the transactions of this office for the fiscal year ending November 30, 1902.

As the reports of this office are published but once in two years, I have also included the report for the fiscal year ending November 30, 1901, together with such other matters connected with the office as appears to me to be of interest and importance.

Respectfully submitted,

THOS. D. LONG,

Register of the State Land Office.

Report of the Register of the State Land Office.

Acting under the direction of the State Board of Land Commissioners, the policy of the State Land Office for the years 1901 and 1902, has been to sell the State land and lease such as could not be sold.

Sales.

The question whether land belonging to the common schools and the State institutions should be sold or leased is a practical as well as a theoretical one. State land is classified as timber, agricultural and grazing, and the disposition of each depends largely on its character.

Timber Land.

Timber land is not leased. It would not be wise to lease it, and there is no demand to do so. Consequently it is not a revenue producer. To realize any benefit from timber land it must be sold. The important question here is, should timber land be sold now or should it be held for a few years in anticipation of increased price. As a general proposition, I believe it would be wise to quit selling timber for five or ten years, or even longer. Cases may arise where it would be better to sell, as, for instance, when the timber around the State's holdings is being cut and the risk from fire is thereby increased, or where the condition of the fund of some State institution requires it.

Sales of Timber.

In 1901, 1,986.44 acres of timber land in Flathead county were sold for \$37,444.40; in 1902, 1,133.84 acres in the same county were sold for \$15,219.28.

During the same period timber permits covering stumpage in Missoula and Ravalli counties, estimated at 15,000,000 feet, were issued at \$2.00 per thousand feet (board measure).

On timber permits issued prior to December 1, 1900, the estimated amount remaining to be cut is 16,000,000 feet.

Agricultural Land.

There is no difficulty in selling or leasing agricultural land. I favor the policy of selling. A man who invests \$10.00 or more an acre in a piece of land which will produce a living for himself and family is unquestionably more interested in the future of the State than a five-year renter.

When it is considered that the State has today 1,676,395.60 acres under lease, producing a yearly rental of \$186,553.52, and that only 65,693.03 acres of it is now classified as agricultural land, there is no occasion for alarm about diminishing revenue if this amount is sold.

Another fact to be borne in mind is, that the State does not own any water rights, and that a great deal of the land, in fact, nearly all outside of Flathead county where irrigation is not necessary, that has been sold, brought \$10.00 an acre, only because the persons who bought owned the water with which it could be irrigated. Without the water it was grazing land, just as a million other acres leased by the State is grazing land. If this leased land could be put under irrigation it would become agricultural, and every time the State sells a piece of this kind of land to a man who can irrigate it, the State is simply assisting in the conversion of grazing land into agricultural land, and, in my judgment, the minimum price of \$10.00 an acre prevents any waste or destruction of the heritage of the common schools and the State institutions.

In the year 1901, 2,750.98 acres of agricultural land were sold for \$33,585.50, an average of \$12.20 an acre; in 1902, 14,275.81 acres were sold for \$212,006.96, an average of \$14.85 an acre. In most instances the purchasers elected to pay 30 per cent cash, balance on time. About 90 per cent of the purchasers were lessees of the land. It did not fall into the hands of speculators.

Attached to this report will be found Tables Nos. 1 and 2, showing the total amount of land, its value, and the grant to which it belongs, sold in each county during the fiscal years 1901 and 1902. The most valuable agricultural land sold is situated in Flathead county, one tract bringing \$41.25 an acre, and a number from \$25.00 to \$35.00 an acre.

The law now provides that purchasers may pay all cash, or 30 per cent cash, balance in seven equal annual payments, at 7 per cent interest.

In order to encourage settlement of the State by home owners and to assist in keeping the purchase money invested, I would recommend that the law be amended so that purchasers could pay either all cash, or 30 per cent cash, balance in 14 equal annual payments, at 5 per cent interest.

Grazing Land.

Strictly grazing land will not bring \$10.00 an acre, and as the greater part of the State's holdings consist of such land, it is of no value to the State unless leased. If proper effort is made to put it under lease it ought to produce a constantly growing revenue.

Missoula School Addition.

At this time the most valuable section of land owned by the State is section 16, T. 13 N. R. 19 W. In 1891 the south half of this section was platted into lots and the north half into five-acre blocks and made an addition to the City of Missoula. From the sale of lots the sum of \$45,288.53 has been received; from interest on deferred payments, \$5,056.38 has been received, and the deferred payments amount now to \$15,473.93. At the present appraised value the unsold portion is estimated to be worth \$53,450.00, showing the total value of this section to be at least \$120,000.00. Owing to the growth of the City of Missoula the unsold lots have increased in value and a new appraisement is now being made.

Platted Land Near Lewistown.

During the year 1902 the south half of the northeast quarter and the southeast quarter of section 16, T. 15 N. R. 18 E., lying near Lewistown, were platted into five-acre tracts and offered for sale at public auction, at Lewistown, on November 22nd. Three tracts were sold for \$1,300.00

Condition of the Permanent Funds.

There is now in the permanent school fund \$524,392.91, of which \$119,594.27 is not invested. In the permanent university fund \$69,187.25, of which \$24,187.25 is not invested; and in the permanent agricultural college fund \$3,632.80, none of which is invested.

The books in this office show from sales already made there* remains unpaid \$94,384.04, which, when paid, will be credited to the permanent school fund; \$62,110.47 to the permanent uni-

versity fund; \$420.00 to the permanent agricultural college fund. (See Tables No. 3 and 3A.)

Investment of the Permanent Funds.

In order not to negative the good effects of selling land some way should be found to safely invest this money. The law should be amended so that the State Board of Land Commissioners may go into the market and compete with bond buyers and loan companies. At present the law fixes a minimum rate of interest at which this money can be loaned and forbids the State offering a premium. Both these conditions should be done away with. They prohibit investment. The law should give the State the preference to take county, municipal, and school bonds, when the offer of the State is equal to the lowest outside bidder, for the reason that the interest received by the State is distributed each year in the State in the support of the schools. In some States the law provides for loaning school money on real estate. The usual conditions are that it shall be only on first mortgages; that the loan shall not exceed \$1,000.00 to any one person or on any one piece of property; that the loan shall not exceed one-half of the assessed value of the real estate; that the interest shall be paid each year in advance. This may be thought worthy of a trial in this State.

Leases.

The result of our efforts to lease such land as could not be sold have been very gratifying. There are now 1,676,395.60 acres under five-year leases, at a yearly rental of \$186,553.52, and 108,944.46 acres under yearly permit, at an annual rental of \$8,233.40. On November 30, 1900, there were 1,265,895 acres under lease and permit, at a rental of \$144,383 a year. On November 30, 1901, there were 1,428,916.69 acres under lease, at a yearly rental of \$156,692.55. This shows a gain in two years of 519,445.06 acres under lease and an increase of \$50,403.06 in yearly rentals. Of this increase about \$45,000.00 goes to the school fund. (See Tables No. 4, 4A, 5, and 5A.)

One feature in connection with the increased acreage under lease worthy of mention is, that most of it is composed of school sections 16 and 36, the reason being that during the last two years very little land has been selected, and we have used our efforts to put under lease the land already owned by the State. Prior to this administration a large quantity of lieu land was

selected and leased, as shown by the report of my predecessor.

Special efforts have been made to lease lands belonging to the several State institutions in order to secure revenue sufficient to meet the interest on their bonded indebtedness. These efforts have met with some success, but not as much as desired. Based upon the records of the office I think it safe to say that the income from leases of land belonging to the Normal School, Deaf and Dumb Asylum, and the School of Mines will continue to be sufficient to meet the interest on the bonded indebtedness of each. The rental from land belonging to the University has decreased because considerable university land formerly under lease has been sold. However, the interest on the money in the permanent university fund, together with the rentals, should be more than sufficient to meet the interest on the bonds. I believe the income from rentals on land belonging to the Agricultural College—50,000 acre grant—will never be sufficient to meet the interest on the bonds. The land in this grant will eventually pay the bonds and interest, but in order to avoid paying compound interest it seems to me that it will be necessary in the future, as in the past year, to sell either land or timber to pay the interest.

The same may be said of the Public Building grant. It is almost impossible for the land in this grant to produce \$21,000 a year in rentals, which is the annual interest on the bonds issued to build the Capitol. This grant contains a great deal of valuable timber land, and is ample security for the bonds. (See Table No. 6.)

A fact indicating that the people who leased land are satisfied with the results obtained and that the revenue is likely to be permanent is, that while leases on 173,387.91 acres expired this year, nearly all were renewed, the loss being less than 6,000 acres.

Public Auctions.

The method employed to carry out the policy of the State Board of Land Commissioners has been to hold public auctions in the various counties. They have demonstrated that this is the fairest and most profitable way for the State to lease or sell its lands. During the year 1901, public auctions were held in Beaverhead, Carbon, Cascade, and Flathead counties; in 1902, in Beaverhead, Broadwater, Carbon, Cascade, Custer, Dawson,

Fergus, Flathead, Gallatin, Jefferson, Madison, Mcagher, Park, Rosebud, Sweetgrass, Teton, and Yellowstone counties.

All the business of this office can not be transacted in this way, but the plan of offering the State lands at public auction, whether the purpose be to sell and lease or to lease only, should be continued as long as results justify the expense. A conservative statement of the benefits derived under this plan this year is, that the land sold brought \$50,000.00 more than its appraised value, and that the land leased brought \$6,000.00 more yearly rental than if leased from the office on the basis of 6 1-4 per cent of the appraised value. As the leases run for five years, this means \$30,000.00 additional revenue directly traceable to this year's public auctions. Moreover, the fact that the land is first visited by the State Land Agent, or his Assistant, and that it is advertised in the papers, acquaints the people of each community with the land the State owns, awakens their interest and promotes competition.

The money expended for advertising the State lands in each county has been well spent. At least 25,000 acres, which different people had fenced and used without the knowledge of this office and without paying rent, have been put under lease this year. The advertisement made it known that such persons had no right to the use of the land. In some instances these persons leased the land, and in others, their neighbors, apprised of the fact that it was open to competition, secured it. This land will yield a revenue of \$2,000.00 a year for the next five years.

Coal Land.

The State owns some coal land. Whether the coal is of quality and quantity sufficient to be mined is not known. These lands might become a source of great income if the State saw proper to lease them for mining or to open, develop, and operate them. In either case I presume proper legislation would be necessary to authorize it.

School Money Apportionment.

The benefit received each year by the common schools from the school lands is shown by the per capita distribution, as given in the following table:

Year.	School Census.	Amount per Capita
1897	46,179	\$0.38
1898	49,478	0.58
1899	56,632	1.50
1900	57,210	1.85
1901	61,736	2.35
1902	64,623	2.50

Receipts.

The receipts for 1901 were \$293,335.75, and for 1902 \$363,584.63. Tables Nos. 7 and 8 show in detail the receipts in each fund and from what source derived, and Table No. 9 shows the receipts for the several years from 1892 to 1902.

We have looked upon this office as a great business institution, the great revenue producer for the common schools and the State institutions, and as such have endeavored to conduct it on business principles. We have not waited for business to come to us, content to take care of that, but we have gone after business.

The work of the office, its importance, and the responsibility of conducting it is constantly growing. Every year an increasing number of leases expire, and it is just as important to get these leases renewed as to secure new business. The amount of office work has greatly increased, requiring the closest attention to details. In this connection I desire to speak of the valuable assistance rendered by Assistant Register John P. Schmit. His position is one requiring ability, honesty and painstaking care. He has filled it well. The services required of the Assistant Register are worth more than the salary now paid him, and I respectfully suggest that a law should be enacted increasing the salary of the Assistant Register.

I desire also to express my appreciation to the other officials of the State Land Office for their hearty co-operation and to the members of the State Board of Land Commissioners for many courtesies extended.

Respectfully submitted,

THOS. D. LONG,
Register of the State Land Office.

REPORT OF THE STATE LAND OFFICE.

TABLE NO. 1.—AMOUNT OF LAND IN EACH GRANT SOLD DURING THE FISCAL YEAR, 1901, AND ITS VALUE.

No.	COUNTY	School	Unlv.	P. B.	S. of M.	S. N. S.	Ag. C. B _d	Ag. C. I.	S. Ref. S.	D. and D.	Sol. H.	Total Acres	Gross Val.	Av. per Acre
1	Beaverhead	40 00	.....	.....	.....	10 00	.....	233 28	.....	.....	.....	313 28	\$3,232 80	\$10 32
2	Broadwater	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3	Carbon	162 50	.....	.....	.....	.....	.....	.....	.....	.....	.....	162 50	1,625 00	10 60
4	Cascade	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
5	Choteau	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
6	Custer	342 50	.....	.....	.....	.....	.....	.....	.....	.....	.....	342 50	3,425 00	10 00
7	Dawson	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
8	Deer Lodge	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
9	Fergus	160 00	.....	.....	.....	.....	.....	.....	.....	.....	.....	160 00	1,600 00	10 00
10	Flathead	811 00	520 00	622 80	254 21	320 00	10 00	.....	339 40	280 00	.....	3 187 41	15,430 10	14 25
11	Gallatin	160 00	.....	.....	.....	.....	.....	.....	.....	.....	.....	160 00	1,600 00	10 00
12	Granite	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
13	Jefferson	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
14	Lewis & Clarke	160 00	.....	.....	.....	.....	.....	.....	.....	.....	.....	160 00	1,600 00	10 00
15	Madison	240 00	.....	.....	8 57	2 13	.....	.....	.....	.....	.....	250 70	2,507 00	10 00
16	Meagher	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
17	Missoula	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
18	Park	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
19	Powell	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
20	Ravalli	.....	.....	.....	.....	1 00	.....	.....	.....	.....	.....	1 00	10 00	10 00
21	Rosebud	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
22	Silver Bow	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
23	Sweet Grass	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
24	Teton	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
25	Valley	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
26	Yellowstone	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Total	2,076 00	520 00	622 80	262 81	363 13	40 00	233 28	339 40	280 00	.....	1,737 42	61,029 90	12 88

TABLE NO. 2—AMOUNT OF LAND IN EACH GRANT SOLD DURING THE FISCAL YEAR 1902, AND ITS VALUE.

No.	COUNTY	School	Univ.	P. B.	S. of M.	S. N. S.	Ag. C. B'd	Ag. C. Inc.	S. Ref. S.	D. & D.	Total Acres	Gross Val.	Av. per Acre
1	Beaverhead	1,520 00	.....	100 00	.....	.....	.....	.....	.....	.....	1,920 00	\$20,120 00	\$10 47
2	Broadwater	160 00	.....	.....	.....	.....	.....	.....	.....	.....	160 00	1,600 00	10 00
3	Carbon	565 36	.....	.....	.....	.....	.....	.....	.....	.....	565 36	5,653 60	10 00
4	Cascade	648 69	.....	.....	.....	.....	.....	.....	.....	.....	648 69	7,135 60	11 00
5	Choteau	160 00	.....	.....	.....	.....	.....	.....	.....	.....	160 00	1,600 00	10 00
6	Custer	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
7	Dawson	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
8	Deer Lodge	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
9	Fergus	565 00	320 00	.....	.....	.....	.....	.....	.....	.....	885 00	11,000 00	12 42
10	Flathead	2,261 42	3,240 90	320 30	193 00	257 26	280 10	80 00	320 00	120 00	7,079 78	134,958 84	19 06
11	Gallatin	1,680 00	.....	160 00	.....	160 00	.....	.....	.....	.....	2,000 00	21,320 00	12 16
12	Granite	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
13	Jefferson	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
14	Lewis and Clarke	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
15	Madison	920 00	.....	520 00	.....	.....	.....	.....	.....	.....	1,440 00	15,050 00	10 45
16	Meagher	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
17	Missoula	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
18	Park	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
19	Powell	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
20	Ravalli	325 00	.....	.....	.....	.....	.....	.....	.....	.....	325 00	3,410 00	10 50
21	Rosebud	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
22	Silver Bow	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
23	Sweet Grass	160 00	.....	.....	.....	.....	.....	.....	.....	.....	160 00	1,720 00	10 75
24	Teton	65 82	.....	.....	.....	.....	.....	.....	.....	.....	65 82	658 20	10 00
25	Valley	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
26	Yellowstone	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Totals	9,031 29	3,569 90	1,400 30	193 00	417 26	286 90	80 00	320 00	120 00	15,079 65	\$277,226 24	\$14 71

TABLE NO. 3—SHOWS THE PRESENT CONDITION OF THE PERMANENT FUNDS, AND THEIR CODITION WHEN THE PRESENT DEFERRED PAYMENTS ARE COMPLETED.

	Per Sch.	Per Un.	Per Ag. Col.
Bonds	\$312,138 00	\$45,000 00	.....
Warrants	92,660 64	.....	.....
Cash	119,594 27	24,187 25	\$3,632 80
Deferred Payments	94,384 04	62,110 47	420 00
Totals	\$618,776 95	\$131,297 72	\$4,062 80

TABL NO. 3A—SHOWS PRINCIPAL ON DEFERRED PAYMENTS ACCT PURCHASES OF LAND IN THE DIFFERENT FUNDS AT CLOSE OF BUSINESS ON NOVEMBER 30, 1902.

School	\$94,334 04
University	62,110 47
Public Building	2,576 42
School of Mines	1,591 00
State Normal School	2,328 00
Agricultural College Bond .....	.....
Permanent Agricultural College	420 00
State Reform School	1,260 00
Deaf and Dumb Asylum .....	.....
Soldiers Home Aid .....	.....
Total	\$164,669 93

TABLE NO. 4—SHOWS THE NUMBER OF ACRES IN EACH GRANT UNDER LEASE IN EACH COUNTY AND RENTALS RECEIVED THEREFROM IN 1901.

No.	COUNTY	School	Univ.	P. B.	S. of M.	S. N. S.	Ag. Col. B.	Ag. Col. In.	S. Ref. S	D. & D.	Sol. H.	Total Acres	Rentals	Av. per acerts.
1	Beaverhead ..	49,212 50	.....	1,860 00	11,403 47	15,419 53	.....	9,423 46	5,680 00	5,560 00	.....	98,558 96	\$8,923 40	09
2	Broadwater ..	8,501 87	480 00	2,259 89	.....	.....	.....	.....	.....	.....	.....	11,241 76	1,641 47	14.6
3	Carbon ..	20,855 02	.....	.....	.....	.....	.....	1,100 00	1,013 03	.....	.....	22,998 05	3,001 20	13.6
4	Cascade ..	113,817 50	1,176 25	400 00	9,745 19	5,593 52	.....	960 00	3,118 47	.....	.....	135,200 93	16,448 85	12.2
5	Chouteau ..	213,390 73	.....	6,101 22	25,388 09	10,669 03	.....	18,070 49	670 11	.....	.....	304,199 61	31,529 57	11.3
6	Custer ..	30,804 11	1,600 00	.....	.....	.....	.....	.....	.....	.....	.....	32,404 11	2,636 15	08.4
7	Dawson ..	5,204 10	.....	.....	.....	.....	.....	.....	.....	.....	.....	5,204 10	588 15	11.4
8	Deer Lodge ..	39,744 00	313 87	.....	640 00	.....	160 00	320 00	480 00	.....	.....	41,687 87	5,177 90	12.4
9	Fergus ..	201,732 32	13,440 00	.....	.....	.....	.....	319 42	.....	.....	1,275 61	216,767 35	22,270 64	10.2
10	Flathead ..	6,203 02	4,947 67	268 88	813 08	302 00	80 00	80 11	.....	.....	.....	12,694 79	3,134 68	21.7
11	Gallatin ..	23,520 00	2,900 00	3,200 00	3,880 00	3,120 00	2,078 00	.....	.....	.....	.....	38,698 00	5,370 82	13.8
12	Granite ..	4,400 00	800 00	.....	.....	.....	.....	.....	.....	.....	.....	5,200 00	801 00	15.4
13	Jefferson ..	5,181 92	320 00	.....	.....	.....	160 00	.....	.....	560 00	.....	6,624 92	83 15	13.1
14	Lewis & Clarke	40,999 71	.....	6,780 00	4,403 53	2,292 09	.....	10,116 84	1,160 00	2,120 00	.....	67,872 08	7,865 01	11.6
15	Madison ..	32,330 01	960 00	7,567 25	.....	2,191 45	520 00	320 00	1,943 42	360 00	.....	46,632 13	3,892 50	08.2
16	Meagher ..	59,237 84	2,560 00	640 00	80 00	1,120 00	.....	12,402 74	10,064 30	12,962 16	.....	99,087 07	12,049 53	12.1
17	Missoula ..	6,488 50	1,120 00	.....	.....	720 00	600 00	.....	.....	.....	.....	8,928 50	1,352 90	16.1
18	Park ..	19,789 00	172 45	.....	.....	.....	.....	.....	.....	.....	.....	19,961 45	1,988 20	10.0
19	Powell* ..	2,200 24	.....	40 00	.....	.....	.....	.....	412 84	.....	.....	6,333 04	543 75	8.5
20	Ravalli ..	10,004 80	.....	2,616 32	.....	1,800 00	.....	5,464 09	.....	.....	.....	19,975 12	2,063 30	10.0
21	Rosebud* ..	640 00	.....	.....	.....	.....	.....	.....	.....	.....	.....	640 00	40 00	06.2
22	Silver Bow ..	3,763 03	.....	.....	.....	.....	.....	.....	.....	.....	.....	3,763 03	440 00	10.2
23	Sweet Grass ..	39,595 71	.....	.....	.....	.....	.....	1,280 00	.....	.....	.....	40,785 71	4,268 80	10.4
24	Teton ..	106,523 09	.....	940 00	2,800 00	5,925 49	.....	3,946 83	.....	.....	.....	120,145 41	11,440 22	9.4
25	Valley ..	14,226 28	.....	.....	.....	.....	.....	.....	.....	.....	.....	14,226 28	1,329 80	09.1
26	Yellowstone ..	47,981 42	1,025 00	.....	.....	.....	.....	.....	.....	.....	.....	49,006 42	4,233 50	08.6
	Totals ..	1,136,449 72	32,115 24	333,073 56	59,153 36	19,155 02	3,598 00	63,803 86	28,332 16	21,962 16	1,275 61	1,128,946 69	\$156,942 55	10.9

* This includes only land leased since creation of the county.

TABLE NO. 1A—SHOWS THE RENTALS IN FORCE IN THE SEVERAL COUNTIES AND GRANTS AT THE CLOSE OF BUSINESS ON NOVEMBER 30, 1901.

No.	COUNTY	School	Univ.	Public Bldg.	S. of M. S.	S. Nor. S.	Ag. Col. B'd	Ag. Col. Inc.	S. R. S.	D. & D. Sol	Hom.	Totals
1	Beaverhead	\$5,168 15	.....	\$151 00	\$579 50	\$1,074 10	.....	\$672 50	\$282 00	\$296 15	.....	\$8,933 41
2	Broadwater	1,292 57	70 00	281 90	.....	.....	.....	110 00	132 70	.....	.....	1,614 47
3	Carbon	2,731 50	.....	.....	.....	.....	.....	120 00	397 30	.....	.....	3,001 20
4	Cascade	13,192 70	461 00	45 00	1,203 15	629 70	.....	2,258 02	78 80	.....	.....	16,148 85
5	Chouteau	27,027 95	.....	760 03	3,073 82	1,320 45	.....	.....	.....	.....	.....	31,559 54
6	Custer	2,571 15	125 00	.....	.....	.....	.....	.....	.....	.....	.....	2,696 15
7	Dawson	588 15	.....	.....	.....	.....	.....	.....	.....	.....	.....	588 15
8	Deer Lodge	4,895 70	100 00	.....	80 00	.....	20 00	39 70	42 50	.....	.....	5,177 90
9	Fergus	20,956 64	1,174 00	.....	.....	.....	.....	40 00	.....	100 00	.....	22,270 64
10	Flathead	1,252 10	1,616 43	30 50	131 00	53 75	5 00	10 00	.....	.....	.....	3,131 68
11	Gallatin	3,515 35	390 00	283 87	387 00	512 00	282 01	.....	.....	.....	.....	5,310 82
12	Granite	688 50	112 50	.....	.....	.....	.....	.....	.....	.....	.....	801 01
13	Jefferson	560 65	20 00	.....	.....	.....	20 01	.....	.....	82 50	.....	683 15
14	Lewis and Clarke	4,658 08	.....	793 45	493 51	255 00	.....	1,263 10	145 07	226 87	.....	7,915 01
15	Madison	2,894 95	.....	511 55	.....	148 25	32 25	15 00	123 50	27 00	.....	3,732 50
16	Meagher	6,996 25	359 00	80 00	10 00	140 00	.....	1,551 59	1,262 50	1,610 25	.....	12,109 59
17	Missoula	1,017 30	155 00	.....	.....	100 00	50 01	.....	.....	.....	.....	1,332 30
18	Park	1,927 50	60 70	.....	.....	.....	.....	.....	.....	.....	.....	1,988 20
19	Powell*	207 50	.....	5 00	.....	.....	.....	.....	331 25	.....	.....	53 75
20	Ravalli	1,355 05	.....	181 25	.....	119 00	.....	410 00	.....	.....	.....	2,005 30
21	Rosebud*	40 00	.....	.....	.....	.....	.....	.....	.....	.....	.....	40 00
22	Silver Bow	440 00	.....	.....	.....	.....	.....	.....	.....	.....	.....	440 00
23	Sweet Grass	4,103 80	.....	.....	.....	.....	.....	160 00	.....	.....	.....	4,268 80
24	Teton	9,986 22	.....	165 00	115 00	740 65	.....	493 35	.....	.....	.....	11,440 22
25	Valley	1,339 80	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,339 80
26	Yellowstone	4,130 75	102 75	.....	.....	.....	.....	.....	.....	.....	.....	4,233 50
Totals		\$123,974 41	\$1,856 38	\$6,238 45	\$6,078 98	\$5,722 91	\$409 25	\$7,173 80	\$2,795 55	\$2,312 77	\$100 00	\$176,622 55

* Leased since County was created.

TABLE NO. 5—SHOWS THE NUMBER OF ACRES IN EACH GRANT UNDER LEASE IN EACH COUNTY AND RENT-ALS RECEIVED THEREFROM IN 1902.

No.	COUNTY	School	Univ.	P. B.	S. of M.	S. N. S.	Ag. Col. B'd	Ag. Col. Inc.	S. Ref. S.	D. & D.	Sol. Ho	Tot'l Acres	Rentals	Av. per accts.
1	Beaverhead	57,006 17	.....	5,020 00	11,725 83	15,419 53	.....	8,783 46	5.6-0 00	5,560 00	.....	110,251.99	\$9,962 65	69.6
2	Broadwater	10,926 92	480 00	3,899 89	.....	.....	.....	.....	.....	.....	.....	14,406.81	2,043 37	14.2
3	Carbon	22,255 62	.....	.....	.....	.....	.....	.....	1,683 03	.....	.....	25,068.05	3,671 70	12.2
4	Cascade	126,815 26	1,128 43	400 00	9,745 19	5,593 52	.....	1,100 00	3,178 47	.....	.....	118,910.87	18,277 35	12.3
5	Chouteau	265,668 23	.....	.....	25,388 09	10,669 05	.....	1,720 00	670 14	.....	.....	226,407.11	36,358 27	11.1
6	Custer	44,713 15	1,600 00	.....	.....	.....	.....	18,070 40	.....	.....	.....	46,343.15	3,722 75	68.0
7	Dawson	11,504 10	.....	610 00	.....	.....	.....	.....	.....	.....	.....	12,114.10	1,003 15	68.9
8	Deer Lodge	40,411 00	313 87	.....	.....	.....	.....	320 00	.....	.....	.....	42,327.87	5,227 90	12.3
9	Peragus	212,536 62	12,121 19	.....	.....	.....	.....	319 42	.....	.....	.....	226,252.84	23,665 12	10.4
10	Flathead	5,217 35	1,882 77	200 00	1,013 08	312 00	80 00	80 11	.....	.....	1,275 61	8,845.34	4,031 43	45.8
11	Gallatin	24,120 00	2,800 00	3,050 00	5,155 87	3,240 00	2,678 00	160 00	.....	1,337 00	.....	43,130.87	7,969 82	18.4
12	Granite	5,040 00	800 00	.....	.....	.....	.....	.....	.....	.....	.....	5,840.00	865 00	11.8
13	Jefferson	9,021 92	320 00	.....	.....	.....	.....	.....	.....	.....	.....	10,584.92	998 65	49.4
14	Levis & Clarke	41,983 26	.....	6,780 00	1,403 53	2,292 00	240 00	10,116 81	1,160 00	2,280 00	.....	72,256.63	8,470 93	11.7
15	Madison	41,415 89	640 00	15,059 21	1,040 00	2,671 45	1,315 80	3,439 80	.....	1,353 36	.....	66,935.51	5,676 25	68.5
16	Meagher	64,117 81	3,200 00	640 00	80 00	1,120 00	.....	11,850 21	10,084 30	1,962 16	.....	110,051.51	13,323 59	12.1
17	Missoula	6,556 50	1,120 00	320 00	.....	795 63	898 48	.....	.....	.....	.....	9,690.00	1,769 70	18.2
18	Park	32,455 72	172 45	.....	.....	.....	.....	.....	.....	.....	.....	32,628.17	3,528 95	10.8
19	Powell*	5,623 99	.....	520 00	.....	.....	.....	.....	1,112 80	.....	.....	10,256.79	967 00	49.4
20	Ravalli	13,889 65	.....	2,616 32	.....	1,800 00	.....	5,464 00	.....	.....	.....	23,789.39	2,554 90	19.8
21	Rosebud*	6,424 16	.....	.....	.....	.....	.....	.....	.....	.....	.....	6,424.16	101 75	66.3
22	Silver Bow	6,006 37	.....	.....	.....	.....	.....	.....	.....	.....	.....	6,006.33	755 00	12.5
23	Sweet Grass	45,492 87	.....	.....	.....	.....	.....	1,280 00	.....	.....	.....	47,272.87	5,170 05	10.9
24	Teton	156,103 21	.....	1,300 00	2,800 00	8,715 42	.....	1,416 83	.....	.....	.....	173,110.46	18,075 11	10.4
25	Valley	26,067 42	.....	.....	.....	.....	.....	1,360 00	.....	.....	.....	27,427.12	2,641 30	69.6
26	Yellowstone	68,412 45	1,665 00	.....	.....	.....	.....	.....	.....	.....	.....	70,077.45	5,865 50	68.3
	Totals	1,355,515 43	28,513 71	47,376 64	61,991 59	52,657 98	5,332 28	67,811 30	30,488 54	26,172 52	1,275 61	1,676,335 60	\$186,565 52	11.1

* This includes only land leased since creation of the county.

REPORT OF THE STATE LAND OFFICE.

TABLE NO. 5A—SHOWS THE RENTALS IN THE SEVERAL COUNTIES AND GRANTS AT THE CLOSE OF BUSINESS ON NOVEMBER 30, 1902.

No.	COUNTY	School	Univ.	P. B.	S. of M.	S. N. S.	Ag. Col. Bd.	Ag. Col. Inc.	S. R. S.	D. & D.	Sol. Ho.	Totals
1	Beaverhead	\$5,734 40	.....	\$482 00	\$584 00	\$1,674 10	.....	\$840 00	\$282 00	\$396 15	.....	\$9,992 65
2	Broadwater	1,496 97	\$70 00	476 40	.....	.....	.....	.....	.....	.....	.....	2,043 37
3	Carbon	2,739 00	.....	.....	.....	.....	.....	140 00	182 70	.....	.....	3,071 70
4	Cascade	16,482 35	508 00	45 00	.....	629 70	.....	245 00	397 30	.....	.....	18,277 35
5	Chouteau	28,877 35	.....	749 23	3,073 82	1,320 45	.....	2,258 62	78 80	.....	.....	36,358 27
6	Custer	3,597 75	125 00	.....	.....	.....	.....	.....	.....	.....	.....	3,722 75
7	Dawson	1,033 15	.....	40 00	.....	.....	.....	.....	.....	.....	.....	1,093 15
8	Deer Lodge	4,945 70	100 00	.....	80 00	.....	20 00	39 70	42 50	.....	.....	5,227 90
9	ergus	22,485 70	1,070 00	.....	.....	.....	.....	40 00	.....	.....	100 00	23,995 42
10	Flathead	2,644 65	1,112 33	26 70	174 50	61 25	5 00	10 00	.....	.....	.....	4,034 43
11	Gallatin	5,021 20	537 50	403 87	512 00	948 25	384 00	20 00	.....	150 00	.....	7,969 82
12	Granite	752 50	112 50	.....	.....	.....	.....	.....	.....	.....	.....	865 00
13	Jefferson	863 65	20 00	.....	.....	.....	20 00	.....	.....	95 00	.....	998 65
14	Lewis and Clarke	5,229 00	.....	733 45	493 51	285 00	15 00	1,263 10	145 00	246 87	.....	8,470 93
15	Madison	3,773 95	60 00	1,122 05	83 25	178 25	19 25	.....	284 50	105 00	.....	5,076 25
16	Meagher	7,940 25	424 00	80 00	10 00	140 00	.....	1,856 59	1,262 50	1,610 25	.....	13,323 59
17	Missoula	1,384 70	155 00	50 00	.....	110 00	70 00	.....	.....	.....	.....	1,769 70
18	Park	3,468 25	60 70	.....	.....	.....	.....	.....	.....	.....	.....	3,528 95
19	Powell*	630 75	.....	5 00	.....	.....	.....	.....	.....	.....	.....	967 00
20	Ravalli	1,844 65	.....	181 25	.....	119 00	.....	410 00	331 25	.....	.....	2,554 90
21	Rosebud*	404 75	.....	.....	.....	.....	.....	.....	.....	.....	.....	404 75
22	Silver Bow	755 00	.....	.....	.....	.....	.....	169 00	.....	.....	.....	755 00
23	Sweet Grass	5,010 05	.....	.....	.....	.....	.....	523 35	.....	.....	.....	5,170 05
24	Teton	15,459 89	.....	150 00	115 00	1,826 90	.....	170 00	.....	.....	.....	18,075 14
25	Valley	2,471 30	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,641 30
26	Yellowstone	5,722 75	142 75	.....	.....	.....	.....	.....	.....	.....	.....	5,865 50
	Totals	\$150,852 38	\$4,517 78	\$4,604 95	\$5,126 08	\$7,262 90	\$589 25	\$7,946 36	\$2,956 55	\$2,003 27	\$100 00	\$186,553 52

* Leased since county was created.

TABLE NO. 6—SHOWS THE BONDED INDEBTEDNESS AGAINST EACH GRANT, THE YEARLY INTEREST, AND THE INCOME IN 1901 AND 1902. FROM LEASES AND INTEREST ON DEFERRED PAYMENTS, WHICH AMOUNTS ARE USED TO PAY THE INTEREST ON THE BONDS.

GRANT	Bonds	Interest	1901	1902
University	\$140,000 00	\$6 000 00	\$5,607 33	\$4,869 21
Capitol Buildings	350,000 00	21,000 00	4,826 66	3,931 26
School of Mines	120,000 00	6,000 00	6,222 23	7,105 32
State Normal School	70,000 00	4,000 00	6,166 70	7,369 04
Agricultural College	100,000 00	6,000 00	366 25	855 25
Deaf and Dumb Asylum	40,000 00	2,400 00	2,598 47	2,819 47

TABLE NO. 7—SHOWS THE RECEIPTS OF THE OFFICE FOR THE YEAR 1901 IN EACH FUND, AND FROM WHAT SOURCES DERIVED.

FUND	Sales	Leases	Interest	Timber	Total
Permanent School	\$26,506 92	.....	.....	29,083 99	\$55,590 91
School Income .....	.....	135,848 27	1,853 13	.....	137,701 40
Permanent University	5,920 44	.....	.....	.....	5,920 44
University Bond .....	.....	5,055 30	552 03	7,570 21	13,177 54
The Capitol Building Interest and Sinking	8,996 21	4,826 66	.....	.....	13,822 87
The School of Mines Building Interest and Sinking	2,028 10	6,222 23	.....	.....	8,250 33
State Normal School	4,321 30	6,166 70	.....	7,802 60	18,290 00
Permanent Agricultural College	2,332 80	.....	.....	.....	2,332 80
Agricultural College Bond	880 00	366 25	.....	14,625 14	15,871 39
Agricultural College Income .....	.....	7,496 45	.....	.....	7,496 45
The State Reform School Building	3,514 00	2,888 55	.....	.....	6,402 55
The Deaf and Dumb Asylum Interest and Sinking	3,680 00	2,598 47	.....	2,060 00	8,278 47
Soldiers' Home U. S. Aid .....	.....	200 00	.....	.....	200 00
Totals	\$58,179 77	\$171,608 88	\$2,405 16	61,081 94	\$293,235 75

TABLE NO. 8—SHOWS THE RECEIPTS OF THE OFFICE FOR THE YEAR 1902 IN EACH FUND AND FROM WHAT SOURCES DERIVED.

FUND	Sales	Leases	Interest	Timber	Total
Permanent School	\$3,524 02	.....	.....	10,056 27	\$93,580 29
School Income .....	.....	157,761 12	2,643 95	.....	160,405 07
Permanent University	34,029 20	.....	.....	.....	34,029 20
University Bond .....	.....	4,047 53	822 68	.....	4,870 21
The Capitol Building Interest and Sinking	8,076 91	3,835 22	96 04	2,168 49	14,176 66
The School of Mines Building Interest and Sinking	619 05	7,105 32	.....	666 65	8,391 02
State Normal School	3,084 60	7,369 04	.....	6,187 08	16,640 72
Permanent Agricultural College	1,300 00	.....	.....	.....	1,300 00
Agricultural College Bond	2,581 84	855 25	.....	6,281 84	9,718 93
Agricultural College Income .....	.....	7,654 36	.....	.....	7,654 36
The State Reform School Building	4,490 00	3,092 05	.....	.....	7,582 05
The Deaf and Dub Asylum Interest and Sinking	1,650 00	2,819 47	.....	666 65	5,136 12
Soldiers' Home U. S. Aid .....	.....	100 00	.....	.....	100 00
Totals	136,355 62	\$194,639 36	\$3,562 67	26,026 98	\$363,584 63

TABLE NO. 9—SHOWS THE TOTAL RECEIPTS FROM THE STATE LAND GRANTS FOR THE SEVERAL YEARS FROM 1892 TO 1902.

YEAR	Amount
1892	\$44,718 53
1893	26,627 85
1894	42,169 81
1895	44,263 59
1896	42,689 07
1897	102 886 53
1898	126,833 71
1899	200,195 20
1900	200,275 25
1901	293,335 75
1902	363,584 63
Totals	\$1,487,679 92

TABLE NO. 10—SHOWS THE RECEIPTS OF THE OFFICE FOR EACH MONTH OF THE FISCAL YEAR 1901.

DATE	Amount
December, 1900	\$7,803 81
January, 1901	6,832 23
February, 1901	32,163 36
March, 1901	16,252 62
April, 1901	11,547 32
May, 1901	13,433 21
June, 1901	30,077 48
July, 1901	28,322 26
August, 1901	17,192 73
September, 1901	19,449 19
October, 1901	73,256 88
November, 1901	37,004 66
Totals	\$293,335 75

TABLE NO. 11—SHOWS THE RECEIPTS OF THE OFFICE FOR EACH MONTH OF THE FISCAL YEAR 1902.

DATE	Amount
December, 1901	\$21,533 40
January, 1902	12,148 22
February, 1902	19,536 82
March, 1902	21,580 16
April, 1902	26,302 29
May, 1902	17,225 36
June, 1902	24,897 08
July, 1902	34,912 45
August, 1902	37,627 56
September, 1902	62,070 25
October, 1902	39,902 39
November, 1902	45,847 65
Totals	\$363,584 63

TABLE NO. 12—SHOWS THE AMOUNTS RECEIVED FROM RENTALS DURING THE PAST TEN YEARS.

YEAR	Amount
1893.....	\$13,982 54
1894.....	14,094 00
1895.....	19,163 50
1896.....	27,134 77
1897.....	47,618 26
1898.....	75,063 06
1899.....	109,306 10
1900.....	144,383 76
1901.....	171,668 88
1902.....	194,629 36
Totals	\$817,054 23

Eleventh Biennial Report

OF THE

STATE LAND

AGENT

To His Excellency, Joseph K. Toole,
Governor of Montana

December 1, 1900 to November 30, 1902

ELEVENTH ANNUAL REPORT OF THE STATE LAND AGENT.

Office of the State Land Agent,
Helena, Mont., December 1, 1902.

To His Excellency, JOSEPH K. TOOLE,

Governor of the State of Montana:

Sir: I have the honor to submit herewith the following report of this office for the years 1901 and 1902, commencing December 1, 1900, and ending November 30, 1902.

SELECTIONS OF STATE LANDS.

During the past two years your Agent and his deputies selected 121,564.24 acres of land. Of this amount 8,613.08 acres is timber land, estimated to have 54,000,000 feet of saw timber thereon. This land lies in Missoula county and placed to the credit of the Public Building Grant. 100,940.63 acres are Indemnity school Lands, and the balance of 10,801.09 acres were placed to the credit of the School of Mines, Normal School and Agricultural College Income Grants, as shown in table attached.

The 100,940.63 acres of Indemnity Lands were selected in lieu of sections 16 and 36, which fell within the Crow and Cheyenne Indian reservations. About a year ago the Board of Land Commissioners concluded not to surrender any more of the school lands in the above reservations. At that time there were applications in my office for selection and lease for 100,000 acres, for which the applicants were willing to pay an annual rental of 12 1-2 cents per acre, which would increase the revenue of the State Land Office \$12,500 per year. It is my belief that it will be many years before these reserves will be thrown open for settlement, and if the State selected lieu lands only as applied for, by the time these reserves were thrown open the State would have secured many thousands of dollars and come into possession of land equally as good, if not better, than the lands that will be left upon the opening of the reserves.

Your Agent has found it rather difficult to secure timber lands on account of the methods employed by the large lumber companies of placing squatters upon unsurveyed land and when the surveys are made and plats filed in the local land office most of the desirable land is held by these squatters, who make their filings and afterwards dispose of their claims for a nominal sum. If the Timber and Stone Act is repealed it will benefit the State largely, and I would suggest that the attention of our United States Senators be called to this act.

Bitter Root Valley Lands.

Last summer your agent and his deputy visited some timber land on the east side of the Bitter Root river for the purpose of selecting some timber lands which have been surveyed but not yet approved, and we found that all the odd numbered sections were claimed by the Northern Pacific Railroad Company, and most of the even numbered sections that were valuable for the timber scripped by a large milling company. All these lands lie in what is known as the Bitter Root Reserve, which was set aside under the Stevens Treaty of 1855, and has never been restored to the public domain, except 15 townships, which were surveyed and thrown open to settlement by an Act of Congress approved June 5, 1872. The balance of the land is still a reserve, and the above mentioned parties have no right whatever upon it, they being trespassers. If our Senators at Washington could have some legislation enacted whereby the State of Montana could have the right of selecting the timber which now lies in the mountainous portion of the Bitter Root Valley lying south of the Lo Lo fork, within the boundaries designated by the Stevens Treaty, the State could complete its selections for the Public Building Grant. These timber lands have a double advantage, being free from underbrush and having a rank growth of vegetation, which makes fine pasture for sheep, and would readily command \$80.00 per section per annum as rental. This land is most desirable and the State should use every effort to secure it, as it is worth, with the timber, about \$15.00 per acre

Scrip Selections.

On the 25th of September, 1899, the State Board of Land Commissioners reconveyed to the United States 34,528.17 acres of State land lying within the Flathead Forest Reserve, and relinquished 2,634.67 acres of unapproved selections within the same reserve, intending to take advantage of the Act of Congress approved June 4, 1897, which provided for Forest Reserve Lieu Selections by such parties who wished to exchange their holdings in the reserve for selections of public land.

Accordingly, this office selected 14,957.86 acres of lieu land, 3,838.04 acres being valuable timber land. These selections, however, are held for cancellation by the Secretary of the Interior for want of proper authority on the part of the Board of Land Commissioners to make such an exchange. While a motion for review has been made by the State's attorney in the matter, which is now pending, still, however, should the State's claim in these lands be successfully set aside, local legislation will be necessary to enable the State to take advantage of the Act of June 4, 1897, should it be desirable to do so.

Trespasses.

On section 16, T. 9 N. R. 18 W., I found the northwest quarter denuded of its timber by one Whitsett, who had cut and hauled the timber to his sawmill and there manufactured same into lumber, which he sold several years ago. On the southeast quarter of this section there was cut and piled about 60 cords of wood, cut in stove lengths of 16 inches, which I seized and sold 44 1-2 cords for \$44.50; 18 house-logs, at \$4.50; 293 fence posts, for \$58.83; 905 fence post, sold to J. H. Wilson for \$18.10. This last item has not yet been paid, the purchaser agreeing not to remove the posts until he can pay the money. The following trespasses were committed several years ago: On section 16, T. 5 N. R. 21 W. there has been cut and removed 200,000 feet of saw timber. This cutting was done by the Bitter Root Development Company. On the southeast quarter, section 36, T. 2 N. R. 20 W., 1,000,000 feet of timber has been cut and removed to the Hamilton mill, where it was manufactured into lumber. There was cut and removed from section 16, T. 3 N. R. 21 W. 200,000 feet for the Anaconda Mining Company. On section 11, T. 1 N. R. 19 W. there was cut for the Bitter Root Development

Company 650,000 feet. The present management of the above companies has expressed a willingness to settle in full with the State.

On section 16, T. 4 N. R. 21 W. there was cut and removed by the Montana Lumber Company, a Helena concern, 1,340,000 feet. The parties who secured this timber do not show any disposition to settle with the State.

Contest Cases.

The State had eleven contest cases which were initiated three years ago for 1,760 acres of timber land on the Little Thompson river, Missoula county. All these cases were decided in 1901 in favor of the State. There is about 11,000,000 feet of saw timber on this land, worth at least \$30,000 to the State.

During the present year the State contested the claim of Edward Olson for 160 acres of timber situated on the Lo Lo, and the register of the land office at Missoula decided in favor of the State.

The work of my office for the last two years shows a large increase in the revenues of the State Land Office, which is largely due to the efficiency of my deputy, Mr. Whipple, and the scaler, Mr. Ives. The services rendered by Mr. Oker have been most valuable to my office, he being left to manage all the details.

Respectfully submitted,

HENRY NEILL,

State Land Agent.

STATE SELECTIONS MADE DURING THE YEARS 1901 AND 1902.

COUNTY	School	Pub. Bldg.	School Mines	Nor. School	A. C. Inc.	Timber
Beaverhead	2,683.30	.....	.....	.....	.....	.....
Cascade	7,005.54	.....	.....	.....	\$80.00	.....
Choteau	1,551.61	.....	.....	.....	160.00	.....
Fergus	18,943.81	.....	.....	.....	.....	.....
Lewis and Clarke	1,640.00	.....	.....	.....	.....	.....
Madison	5,149.80	.....	.....	.....	.....	.....
Meagher	7,121.60	.....	.....	.....	2,447.44	.....
Missoula .....	.....	8,613.08	.....	.....	.....	8,613.08
Powell	1,223.99	.....	.....	.....	157.69	.....
Park	1,270.00	.....	.....	.....	.....	.....
Ravalli	3,073.25	.....	.....	.....	.....	.....
Silver Bow	160.00	.....	.....	.....	.....	.....
Sweet Grass .....	.....	.....	2,271.73	.....	.....	.....
Teton	45,870.53	864.72	240.00	2,844.33	480.00	.....
Valley	3,030.31	.....	.....	.....	1,319.90	.....
Yellowstone	1,916.83	.....	.....	.....	.....	.....
Total	100,940.63	9,477.80	2,511.73	2,844.33	5,445.03	.....
Grand Total .....	.....121,219.52 acres					

STATE BOARD OF LAND COMMISSIONERS OF THE
STATE OF MONTANA.

Joseph K. Toole, Governor.

Geo. M. Hays, Secretary of State.

Jas. Donovan, Attorney General.

W. W. Welch, Supt, Public Instruction.

Thos. D. Long, Register.

John P. Schmit, Ass't. Register.

Henry Neill, State Land Agent.

C. A. Whipple, Ass't. State Land Agent.

Joseph Oker, Chief Clerk.

